



ATLANTIC MEMO #48

How to Save TTIP

The Transatlantic Trade and Investment Partnership (TTIP) is one of the most ambitious, yet also most polarizing issues of transatlantic cooperation today. TTIP's controversial character seems especially tangible in Germany, where critical NGOs, as well as concerned citizens, have started petitions and information campaigns against the agreement, putting supporters on the defensive.

This is largely due to the fact that the European and American markets are already deeply intertwined, and that the "low-hanging fruits have been picked", as one of our commentators (Rebentisch) adequately put it, leaving mostly sensitive issues to be negotiated. But TTIP also has the potential to rejuvenate a historic alliance in both economic and political terms. This potential, however, is increasingly in the backdrop of a debate influenced heavily by assumptions, expectations and mistrust. In order to constructively discuss the social costs of TTIP, public deliberations need a much firmer foundation.

Three theme weeks on atlantic-community.org have clarified certain aspects of the debate by bringing in expert analysis from all sides. The editorial team has drawn policy recommendations from the debate:

1. The Transparency Deficit: "Hard" Evidence Needs to Support "Soft" Assurances

Decision-makers must realize that repeated and superficial assurances are not enough; road-maps have to be presented if the publication of preliminary results is not feasible. These must exemplify how markets of sensitive industries can be integrated without hampering regulatory safeguards in practice. Current ambiguity and fear of backdoors can only be overcome by tangible evidence to the contrary. The content itself will thus stem skepticism while the overall act of providing these outlines will ease a sense of unresponsiveness and secrecy and build trust.

Officials must also define a binding ratification process that is transparent and accountable. By openly inviting and providing enough time for public scrutiny of the final text of the treaty, as well as national parliaments' ratification, space for unsubstantiated criticism is diminished. Lastly, the "common sense agenda" of consumer benefits has to be brought into focus again, so as to build momentum and gradually shift from a defensive posture to a more proactive one of formulating desires instead of fears.

2. Investor-State Dispute Settlement: Reform or Removal

ISDS is one of the most controversial parts of the TTIP negotiations, with even supporters acknowledging the need for reform; thus, extensive modifications, such as early dismissal mechanisms, an appeals process, increased oversight, and the clearly defined exclusion of certain industries, are needed. Even if reforms are implemented, it is fully unclear whether or not TTIP can overcome the current level of public outcry over ISDS; the mechanism might need to be abandoned altogether. This is especially salient since ISDS is publicly seen as an indicator of corporate influence on the trade agenda, and thus resolving the impasse will have ramifications for other areas of the agreement plagued by similar concerns.

3. A Change in Emphasis: Geopolitics and Economics

Officials trying to make the case for TTIP by highlighting enormous economic gains run the risk of being accused of insincerity; economic gains are modest by most estimates, and promising the opposite increases already widespread fears of regulatory erosion. Thus, plainly treating economic benefits as modest, while highlighting the positive geostrategic externalities (proactive global rule-setting, reaffirmed bonds, the US being politically and economically more invested in Central Europe), is more credible and assuages fears of a downward spiral of regulatory erosion.

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Disclaimer: *These policy recommendations are the work of the editorial team. While they are generally based on three atlantic-community.org theme weeks, they do not necessarily represent the individual views of all authors on all issues. A more detailed description of the author's positions and more extensive conclusions can be found in [our comprehensive report, accessible here as PDF.](#)*

Authors:

Barbara Unmüßig (Heinrich Böll Foundation) and Bärbel Höhn (Greens in the Bundestag): "CETA and TTIP: Bringing People's Interests Back into Focus"

Michael Hilbert and Christian Eichardt (Initiative of Young Transatlanticists): "Myths and Assumptions about TTIP: A Rebuttal"

Jürgen Knirsch (Greenpeace Germany): "Fundamentally Rethinking TTIP's Priorities"

Sean Flynn (American University College of Law): "A Lesson from ACTA: Pro-Free Traders Need to be Pro-Transparency"

Dr. Holger Janusch (Center for Transformative Research and Sustainability): "Evaluating the Costs Imposed by Open Negotiations"

Matthew Myers (Campaign for Tobacco-Free Kids): "Stubbing Out the Tobacco Industry's Abuse of Trade Agreements"

Alex Walford (EU Commission): "ISDS: Not a Problem in the Past, Not a Problem in the Future"

Oliver Wieck (International Chamber of Commerce Germany): "New Criticism of ISDS Obscures its Actual History"

Markus Henn (Weltwirtschaft Ökologie und Entwicklung e. V.): "Nothing Learned from the Crisis: Financial Services in TTIP"

Bill Krist (Wilson Center): "Investor-State Dispute Settlement - Can We Get It Right in TTIP?"

Hendrike Kuehl (Trans-Atlantic Business Council): "ISDS Provides Necessary Protection, not a New Avenue to Corporate Profit"

Dr. Kent Hughes (Wilson Center): "Regulatory Cooperation will Provide a Geopolitical Advantage"

Fabian Bohnenberger (Global Public Policy Institute) "TTIP: Reward Worth the Risk?"

Dr. Valbona Zeneli (George C. Marshall Center for Security Studies) "It's About Investments, Not Just Trade"

Dr. Martin Myant (European Trade Union Institute): "TTIP: Exaggerated Benefits and Shaky Estimations"

Dr. Benedikt Heid (University of Bayreuth): "Rebuttal: Criticism of TTIP's Economic Projections"

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Debbie Barker (Center for Food Safety): "Trade Agreements Should Allow Countries to Set High Standards"

Lawrence Kogan, (Institute for Trade, Standards, and Sustainable Development) and Lucas Bergkamp, (Hunton & Williams): "Unbiased Safety Through Procedural Safeguards in TTIP"